

[17th March 1955]

APPENDIX III.

[Vide answer to starred question No. 1420 asked by Sri N. K. Palanisamy at the meeting of the Legislative Assembly held on 17th March 1955, page 917 supra.]

Letter from Sri R. A. GOPALASWAMY, I.C.S., Secretary to Government, Home Department, to the Secretary, Planning Commission, New Delhi, dated Fort St. George, the 23rd July 1954, No. (Ms). 84048-Pro./54-3.

[Prohibition—Working in Madras State—Information. *Reference.*—Your letter No. P.C. (VI) SS/CO/54, dated 13th June 1954.]

I am directed to forward a note on the working of Prohibition in the Madras State. The note gives the required information under the various heads listed in the Annexure to the Planning Commission's letter, dated 1st December 1951, together with the figures for the years 1952-53 and 1953-54 and the subsequent changes and developments. Copies of the administration reports on the working of the Amelioration Branch of Prohibition in this State for the years 1946-47 to 1952-53 are also enclosed.

2. I am to add that this Government are in entire agreement with the resolution on Prohibition passed by the Working Committee of the Indian National Congress on 5th April 1954.

Copy to the Board of Revenue (Excise) with reference to its letter C.R. No. 2077/54, dated 3rd July 1954.

.. Registrar of Co-operative Societies (with reference to his letter No. R.C. 79392/55, XI, dated 8th July 1954).

ENCLOSURE.

NOTE.

[Planning Commission—Study of working of Prohibition.]

A note on the Excise as well as Prohibition policies with details under various headings given in the annexure to the letter from the Planning Commission is given below in respect of the Madras State.

I. *Excise policy prior to Prohibition, i.e., before 1945-46—Preliminary.*—The policy followed by the Government in the Excise days was one of securing maximum revenue with minimum consumption subject to the following conditions:—

(1) Any extension of the habit of drinking was to be discouraged.

(2) Taxation should be as high as possible without encouraging illicit practices.

17th March 1955]

The measures undertaken in furtherance of the above policy are detailed below :—

(a) Gradual increase in the issue price of opium, duty on arrack and tree tax :—

Year.	Price of opium per seer.			Average rate of duty on arrack per proof gallon.			Tree tax for coconut trees in major portions of the State.		
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
1906-07	30	13	9	4	5	9	3	0	0
1920-21	50	0	0	8	6	9	4	8	0
1934-35	80	0	0	9	7	4	5	10	0
1944-45	100	0	0	10	15	0	7	8	0
1945-46	140	0	0	10	15	0	9	0	0

(b) The alcoholic content of the arrack was sought to be reduced by raising the water content so that the liquor consumed might not be very injurious. At first, both 35° U.P. and 60° U.P. liquors were sold in the same shops for some time, but the weak liquor was not much in demand. In the years 1918-21, certain shops were allowed to sell only 60° U.P. liquor. This resulted in illicit distillation in many parts and ultimately the strength had to be fixed at 35° U.P. in the majority of the areas of the State.

(c) Sale of liquor to women and to persons under 18 years of age was prohibited. Collectors were authorized to insert special conditions in licences providing for the closure of shops during fairs and festivals, on market days and on days of elections.

(i) *Procedure for sale and licensing.*—Excise Advisory Committees for rural areas and Licensing Boards for municipal areas with non-official majorities were constituted from 1918 to advise the authorities on the number and location of liquor and drug shops. Shops for retail sale of liquor, intoxicating drugs and opium were either sold by auction or granted free of fee, or on fixed fees. The Commissioner of Excise, after taking the orders of the Government periodically issued for publication in the *Fort St. George* and in the *District Gazettes* a notification containing the conditions on which the abkari and opium contracts were granted. Collectors were required to publish in their *District Gazettes* at least one month before the auction, lists of the shops to be sold and the boundaries within which each might be opened, the average rental, tree tax or duty paid in respect of each shop for the previous three years. The Collectors in consultation with the abkari officials, determined the approximate values of the shops before the auctions took place, due regard being had to past rentals, future prospects, the state of the season, etc., and these would be the reserve price at or about which rent areas would be allowed to go, though in confirming sales, Collectors would, of course, exercise their discretion as to accepting bids that fell short of such values. Disclosure of the reserve prices to the bidders was forbidden. The auction was required to be conducted by the Collector or the

[17th March 1955]

Revenue Divisional Officers, and in practice they were generally held by the Revenue Divisional Officers. The Collector had to confirm the results of auctions.

Licences were issued to arrack supply contractors by Collectors and to distillers, warehouse-keepers and brewers by the Assistant Commissioner for Distilleries. Other kinds of abkari licences were ordinarily issued by the Collector except in cases where he delegated his powers to the Revenue Divisional Officers or Tahsildars for the purpose.

(ii) *Extent of consumption in urban and rural areas (quantities, values, etc.).*—Separate statistics for urban and rural areas are not available.

(iii) *Financial aspects.*—During the last full Excise Year 1945–46 the excise revenue totalled Rs. 15,72,57,725 against an expenditure of Rs. 51,58,361. There was thus a net saving of Rs. 15,20,99,364 from the Excise Department for the State Exchequer of the Composite Madras State.

II. *Measures taken in furtherance of Prohibition*—(i) and (ii) *Stages and programme for implementation of Prohibition and period over which Prohibition policy implemented.*—Soon after the Congress assumed office for the first time, Prohibition was first introduced in the Salem district from 1st October 1937. The Act was further extended to the Cuddapah and Chittoor districts from October 1938 and to North Arcot district from October 1939. The public showed great enthusiasm and extended full co-operation in the initial stages. Subsequently their interest began to wane and illicit distillation was gradually gaining ground. In 1942, an Amendment Act (XXX of 1942) which enhanced the maximum penalties to grave offences such as illicit distillation to two years' rigorous imprisonment and fine up to Rs. 5,000 was passed. This did not, however, produce the desired effect. Finally, Prohibition was suspended with effect from 1st January 1944 in those four districts, when the administration was in the hands of the Advisers, the Congress Ministry having resigned its office earlier.

When the Congress Ministry came to power for the second time, Prohibition was again introduced in October 1946 in 8 out of 25 districts of the Composite Madras State. It was extended to another 8 districts in October 1947. With the extension of the Act to the remaining 9 districts in October 1948, the entire Composite State excepting the Agency areas now in Andhra State, have been dry since then. A statement showing the dates of introduction of Prohibition and the names of districts in which it was introduced is appended.

(iii) *Area to which applied.*—The Prohibition Act has been in force in the whole of the Composite Madras State excepting the Agency tracts of Visakhapatnam and Godavari districts.

(iv) *Range of products covered.*—The Prohibition Act is applicable to all liquors and liquids consisting of or containing alcohol and intoxicating drugs.

17th March 1955]

(v) *Exceptions and exemptions.*—The Act provides inter alia for exemptions by Government of

(a) any specified liquor or intoxicating drug or article containing such liquor or intoxicating drug from the observance of all or any of its provisions on the ground, that such liquor, drug or article is required for medicinal, scientific, industrial or such like purpose;

(b) any persons and institutions for the possession and use of such liquor as may be required by them for any *bona fide* religious purpose in accordance with ancient customs under such terms and conditions and penalties for infringement as may be prescribed;

(c) *bona fide* travellers from consuming liquor while passing through the Prohibition area;

(d) lawful consignments of liquor or drugs carried through the Prohibition area; and

(e) members of the armed forces of the Union or of any other armed forces raised or maintained by the Union or attached to or operating with any of its armed forces, and the members of the medical or other staff attached to any of the armed forces aforesaid from all or any of its provisions.

Necessary notifications giving these exemptions have been issued by Government.

The Government have also permitted the tapping of palm trees for manufacture of jaggery with a view to providing employment to ex-tappers. Licences for this purpose are issued under the Madras Sweet Toddy Rules only to members of co-operative societies. In certain districts, the Government have also permitted the tapping of palm trees for sweet juice for consumption as beverage. Two statements showing the names of districts in which these concessions have been allowed are appended.

(vi) *Extent and nature of propaganda and education work done by official and non-official organization.*—There is no non-official organization to carry on regular propaganda in favour of Prohibition. The propaganda work is done by the ameliorative branch under the control of the Registrar of Co-operative Societies with the help of seven propaganda vans with the necessary equipment distributed on a regional basis so as to cover all districts. These vans visit the villages at regular intervals, play gramophone records and exhibit magic lantern slides and films supplied by the Films Division of the Government of India and provide counter attractions to ex-addicts during evening hours. The gramasam-gams run public libraries for the benefit of the local people and tend to promote the moral and social welfare of the people by undertaking a variety of social activities.

[17th March 1955]

(vii) *Extent to which alternative interests, recreations, amusements and substitutes have been developed in urban and rural communities and sections of population such as Harijans and mill workers.*—The main objects of the ameliorative work undertaken in the State were—

(1) to provide substitutes for drink and counter attractions to drink with a view to enabling the ex-addicts to forget their former habits and thereby to check any tendencies to break the law;

(2) to promote moral, social and economic improvement of the people by organizing simultaneously a rural uplift drive on a district basis; and

(3) to provide employment to toddy tappers in co-operative schemes like jaggery societies, milk supply societies, cottage industries, land colonization, etc.

The work turned out by the ameliorative staff under the above items is briefly given below seriatim :—

(1) As on 30th June 1953, there were about 11,760 grama-sangams in the Composite Madras State. Four hundred and seventy sangams provided counter attractions to drink, 649 sangams undertook public health activities, 449 attended to street cleaning, construction of latrines, etc., 109 laid and repaired village roads, 195 undertook agricultural improvement, 475 engaged themselves in educational activities such as running night schools, reading rooms and libraries. On the side of recreational activities, firka, taluk and divisional tournaments, bhajan, katha prasangams and dramatic performances were conducted, epic lores were also read in villages.

(2) The improvement of the economic condition of those who were addicted to drink received special attention through the co-operative organizations. Towards the general rural welfare of the public in the select firkas of the State, more co-operative credit societies and multipurpose co-operative societies were formed. Five thousand eight hundred and seventy-seven rural credit societies and other types of societies undertook thrift schemes. Savings accumulated in the hundi boxes amounted to Rs. 2.66 lakhs. Other savings and thrift deposits by the Co-operative Societies totalled to Rs. 8.7 lakhs during the year.

(3) There were 2,187 jaggery manufacturing societies in the State with Rs. 2.14 lakhs of members of whom Rs. 1.82 lakhs were ex-toddy tappers. Their paid-up share capital amounted to Rs. 7.25 lakhs. The number of palm trees tapped during a year exceeded Rs. 30 lakhs. During the year ending June 1953, jaggery worth about Rs. 96.66 lakhs was manufactured by the members of the jaggery societies. Ex-tappers were also enrolled as members in the milk supply unions, milk supply societies, land colonization societies, field labourers co-operative societies, etc. Since August 1952, the recreational activities connected with Prohibition were

17th March 1955]

curtailed and more attention has been paid to constructive activities such as organization of co-operative societies of various types to provide employment to ex-toddy tappers. Attention has also been paid to the promotion of rural welfare through village co-operative societies which undertake various economic and social activities besides supply of credit.

(viii) *Further stages in programme at present contemplated.*

—As total Prohibition is in force since October 1948, the question of further stages in programme does not arise in this State.

III. *Administration and enforcement of Prohibition.*—(i) The general administration of the provisions of the Madras Prohibition Act, 1937, is vested in Board of Revenue (Excise). Till the separation of Andhra State in October 1953, the Prohibition Department (formerly Excise) was enforcing the Act in 16 districts, while the Police Department was enforcing it in the remaining 9 districts. In the Residuary Madras State, the enforcement of Prohibition has been entrusted to the Prohibition Department in 8 districts and the Police Department in 6 districts.

There were two Deputy Commissioners of Prohibition in the Composite State and each was in charge of a division comprising eight districts. After separation of Andhra State, there is only one Deputy Commissioner. There is one District Prohibition Officer in each of the Excise Prohibition districts assisted by Deputy Prohibition Officers, Assistant Prohibition Officers. Each Prohibition station is manned by a Prohibition Sub-Inspector, a Petty Officer and Prohibition Guards.

So far as Police Prohibition districts are concerned the regular Police is enforcing the Act as part and parcel of their normal duties, the required additional staff having been sanctioned to cope up with the increased work and responsibility connected with Prohibition.

There is an Inspector, Excise and Prohibition Intelligence Bureau, with headquarters at Madras having jurisdiction throughout the State. He is assisted by an Assistant Inspector, a Sub-Inspector and Petty Officers. In the Composite State, there was also a Deputy Prohibition Officer and one more Assistant Inspector attached to the Bureau. The main function of the Bureau is to prevent and detect inter-State smuggling of opium and ganja.

A special squad consisting of one Deputy Superintendent of Police, one Deputy Prohibition Officer, one Inspector of Police, one Assistant Prohibition Officer, one Sub-Inspector of Police, one Sub-Inspector of Prohibition, one Head Constable, one Petty Officer, ten Constables and ten Prohibition Guards has been formed to concentrate attention on areas where grave offences like illicit distillation are rampant and unmanageable by the local enforcement staff. The squad will work for a period of six months in each district by rotation.

[17th March 1955]

(ii) *Additional expenditure*.—The expenditure incurred for Administration of Abkari Act and Prohibition Act is given below :—

	Expenditure on Excise Ad- ministration for Composite State.	Expenditure on Prohibition Ad- ministration in Excise Prohi- bition district.
	RS. LAKHS.	RS. LAKHS.
1945-46 (year preceding Prohibition) ..	51.6	..
1952-53 (Composite State)	—	80.5
1953-54 (April 1953 to September 1953) (Composite State).	..	42.2
1953-54 (October 1953 to March 1954) .. (Residuary State).	..	18.05

As Prohibition in the Police-Prohibition districts is enforced by the regular Police as part and parcel of their normal duties, no separate account is maintained to indicate the additional expenditure for that department on account of additional staff, equipment, etc.

(iii) *Breaches of law*.—The total figures of detection under the Prohibition Act for the years 1949-50 to 1953-54 during which period there has been total Prohibition in this State are furnished hereunder :—

	Composite State.
1949-50	67,650
1950-51	84,597
1951-52	109,558
1952-53	135,879
1953-54 (up to July 1953)	47,698
	Residuary State.
1953-54 (August 1953 to March 1954).	52,660

About 40 per cent of the total figures relate to illicit distillation and kindred offences.

Illicit distillation is the chief menace for the successful enforcement of the Act. In areas where the palm trees grow in abundance, the success of Prohibition depends on the extent to which malpractices resorted to in abuse of the permission given for tapping of such trees for sweet-toddy are tackled. During the initial stages of Prohibition, there was not much illicit distillation in many parts of the State. With the progress of time, demand for liquor increased and consequently, illicit distillation began to spread to new areas. It is now considered as a lucrative commercial business. Some of the influential people invest capital, employ labour, manufacture arrack and carry on regular trade. Distillation takes place mostly in Government poramboke lands, hillocks, dense forests and river-beds. The offenders resort to

17th March 1955]

such places so that they could run away from the scene the moment they get scent of the arrival of the raid party or even if they are apprehended they disown the contraband and get themselves acquitted in Courts. Most of the liquor is intended for consumption in urban areas where it is in great demand among the manual labourers and workers employed in industrial concerns. The transport and sale of liquor is generally made by hirelings some of whom are juveniles. These hirelings have been adopting ingenious methods of transport through cycle tubes, vegetable basket, milk cans, water-bottles, air-pillows, etc. When large quantities of liquor are to be transported, cars also are used. The stuff intended for sale is secreted in dust-bins, sand-pits, gutters, public latrines, etc. The addict knows the place of concealment and removes liquor from such places after payment of money to the seller. The principal never comes to the picture. He gives only directions remaining behind the scene of such nefarious activities. The hirelings when caught are defended by the principals in court by engaging lawyers. If the courts inflict a sentence of imprisonment, the family of the accused is supported by the principal during the term of imprisonment. If the accused is convicted and sentenced to pay fine, the amount is paid by his master.

All offences under the Prohibition Act are bailable and this facilitates the offenders to resort to crime again and again when they are on bail. The Act provides punishments of imprisonment up to three years and fines up to Rs. 5,000. There has not been even a single instance where the sentence of imprisonment exceeded one year. Normally, such sentences range between 1 month and 3 months. In most of the cases in which fines are imposed, the amount ranges from Rs. 10 to Rs. 50. The easy way of earning money in liquor trade, the provisions which make it incumbent on the part of the enforcement officers to release the accused on bail, the inadequacy of punishments inflicted by courts and the increase in demand for liquor have been giving a fillip for illicit distillation and cognate offences. This is evidenced by the fact that the offences detected under the Act rose from 67,650 in 1949-50 to 135,879 in 1952-53. The incidence of crime in increasing day by day and consequently the detection figures also are steadily rising.

Misuse of spirituous medicinal preparations as substitutes for alcohol is a very common occurrence in urban areas. In a few cases, there have been, even deaths due to consumption of spurious preparations. Many people who are charged for drunkenness contend in courts that they took non-prohibited medicinal preparations and thereby easily escape conviction. Varnish, French polish, and denatured spirits also are diluted and consumed by addicts.

The concession given to the ex-tappers who have been thrown out of employment consequent on Prohibition, to tap palm trees for sweet-toddy for manufacture of jaggery on a co-operative basis, has resulted in a widespread misuse of the licences. They, in

[17th March 1955]

most cases either draw fermented toddy as such under the guise of sweet-toddy or manufacture fermented toddy out of sweet-toddy. Experience has shown that the jaggery produced by the tappers has no relation to the number of trees licenced for tapping for sweet-toddy. Yet, this concession is a necessary evil and it has to be allowed, lest the State will have to face a serious unemployment problem among the tappers community.

(iv) *Prices of illicit liquors, etc., in different areas.*—The price of illicitly distilled arrack ranges from 8 to 12 annas a dram and it varies according to supply and demand. Higher price is generally given in industrial areas where there will be always good demand from the labourers.

(v) *Extent of local co-operation.*—There is no enactment which depends for its success so much on public co-operation as the Prohibition Act. During the initial years of Prohibition, the public were enthusiastic about its success. Their interest has gradually waned, but nobody denies that Prohibition is a moral reform. They are disinclined to give information of offences, which would sent to jail one of their neighbours who has not done any visible harm or injury to anyone in particular. If at all anybody comes forward with information, it is due to reasons of private enmity with the offender or due to monetary considerations in the shape of rewards. The enforcement officers have been finding it very difficult to secure mahajar witnesses while seizing incriminating articles and arresting offenders. Even if anybody subscribes his signature to the mahazar he very often turns hostile in court. Instances where the villagers assaulted the enforcement staff while arresting and escorting offenders have not been rare, not to speak of their growing mentality to shield offenders. Thus the staff are generally thrown back on their own strength and resources in combating crime.

(vi) *Evaluation—Statistical and qualitative.*—All details that may come under this head are given against items (iii) and (v) above.

IV. *Results of Prohibition.*—(i) Consumption of different classes of intoxicating drinks and drugs (quantities, value, etc.):—

The consumption figures in respect of foreign liquor and Indian-made foreign spirits are given below for the years 1945-46, 1951-52 and 1952-53 in the composite Madras State:—

	Imported spirit.	Liquor in imperial gallons		Indian-made foreign liquors.		Opium.	Ganja.
		Wine.	Malt liquors.	Spirit	Malt liquors.		
						SEERS.	SEERS.
1945-46 (complete Excise period).	122,165	11,847	424,005	196,244	779,146	19,642	39,773
1951-52 ..	33,551	44,557	69,895	2,704	610	4,159	10
1952-53 ..	21,021	3,247	57,580	3,077	1,677	2,449	12

Consumption of arrack and toddy is completely prohibited.

17th March 1955]

Non-Indians are given permits to consume foreign liquor not exceeding 8 units a month each on presentation of application. Indians also are given permits on the strength of medical certificates issued by Government Medical Officers not below the rank of a Civil Surgeon. The quantity of liquor to Indians is however restricted to a maximum of 4 units per month. Permits to Indian visitors from other States where Prohibition is in force are given on the strength of the health permits issued to them in their respective States. Issue of ganja is made only for medicinal purposes. Opium has been allowed to be consumed by registered addicts alone. The issue was subjected to a progressive reduction by 20 per cent every year with effect from 1st October 1949. According to this scale, the issues to addicts ceased generally by 30th September 1953. In cases, however, where opium is required on grounds of health, supply is allowed to the addicts on the strength of medical certificate.

(ii) *Social and economic consequences.*—Prohibition is no doubt a socio-economic reform. It is a long range policy and any far-reaching results cannot be expected in a short period. Even though no detailed investigation has been made to find out the exact consequences of Prohibition, the fact remains that the condition of such addicts who have completely abstained from drinking, has definitely improved socially and economically. The economy and health of the families which are resorting to illicit arrack have certainly deteriorated. The one redeeming feature that is much in evidence in rural as well as urban areas is that there are no street brawls, beating of wives and female relations by men addicts and similar unfortunate incidents. The addicts consume liquor stealthily inside their residences and are afraid of making their appearance in public until they become sober, lest they will be caught by enforcement staff. Any radical change in the social and economic status of the addicts can be visible only when there is a considerable fall in the incidence of crime which continues to be growing day by day. On the whole, it may be stated that as a result of total Prohibition there has been a marked improvement in the socio-economic condition of the people in general and the ex-addicts in particular. The ex-addicts who were spending a major part of their income on drink are able to save and lead a happy life.

(iii) *Effect on public resources.*—During the last full Excise year 1945-46 the excise revenue totalled to Rs. 15,72,57,725 against an expenditure of Rs. 51,58,361. There was then a net saving of Rs. 15,20,99,364 from the Excise department for the State exchequer of the Composite Madras State.

During the year 1952-53, the revenue under the Prohibition Act was Rs. 47,06,786 against an expenditure of Rs. 80,46,910 for the Prohibition department alone which was enforcing the Act in 16 out of 25 districts of the State. As already stated elsewhere no separate account is maintained by the Police to indicate the

[17th March 1955]

additional expenditure that is incurred by that department in enforcing Prohibition in the remaining districts. Revenue figures for the Residuary State for 1953-54 are not readily available.

V. *Enquiries*.—(i) Factual or other investigation into the working of Prohibition which may have been carried out by the State Government or by recognized institutions—

During the year 1947-48, when Prohibition was in force in 16 out of 25 districts, a committee (the Nachiappa Gounder Committee) enquired into the working of the Act and made certain recommendations for the effective implementation of the Prohibition programme. The situation then prevailing especially in the matter of incidence of crime and public co-operation towards the successful enforcement of the Act may not be the same as that existing now. The findings of the recent Andhra Prohibition Enquiry Committee (the Ramamurthi Committee) give the present position vividly and those findings may be taken as generally applicable to the Residuary Madras State also.

(ii) Whether any further enquiry contemplated and on what lines—

There is no such proposal at present.

VI. *Conclusions drawn by the State Government in respect of working of Prohibition and regarding future policy and action*.—There is no change in the Prohibition policy so far as this State is concerned. With a view to enforcing Prohibition more strictly, a proposal to entrust the enforcement to the Police department in the entire State has been under examination for some time past. The Government have appointed an official Committee to work out a detailed scheme of propaganda which will help effectively to put down illicit distillation and also to consider and make recommendations on the question of payment of rewards to individuals or to villagers as a whole for help rendered in connexion with the detection of cases of illicit distillation. Besides various amendments to the Prohibition Act to make the provisions more stringent are being proposed. The important ones among them are to make grave offences non-bailable and to make it incumbent on the part of the Courts to impose sentences of imprisonment and fine not below a certain minimum.

VII. *Any other aspects—General*.—In spite of the total Prohibition for nearly five years in this State, the incidence of crime is steadily increasing without much signs for its decline. The main reasons are (1) that the existing provisions of the Act are not stringent enough to make the offenders abstain from committing crime and (2) the liquor trade has been found to be a lucrative one. The Government are alive to the need for making Prohibition effective by undertaking the necessary measures for its better enforcement in accordance with the directive principle laid down in Article 47 of the Constitution of India.